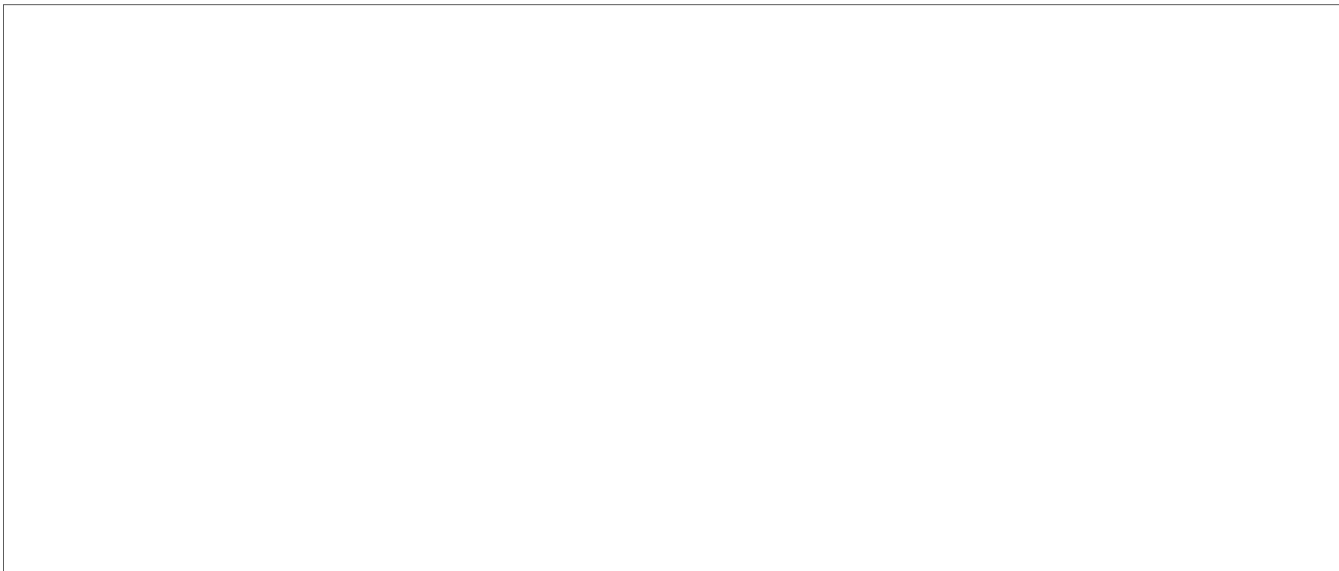


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28 January 1983

NEGOTIATIONS IN CENTRAL AMERICA



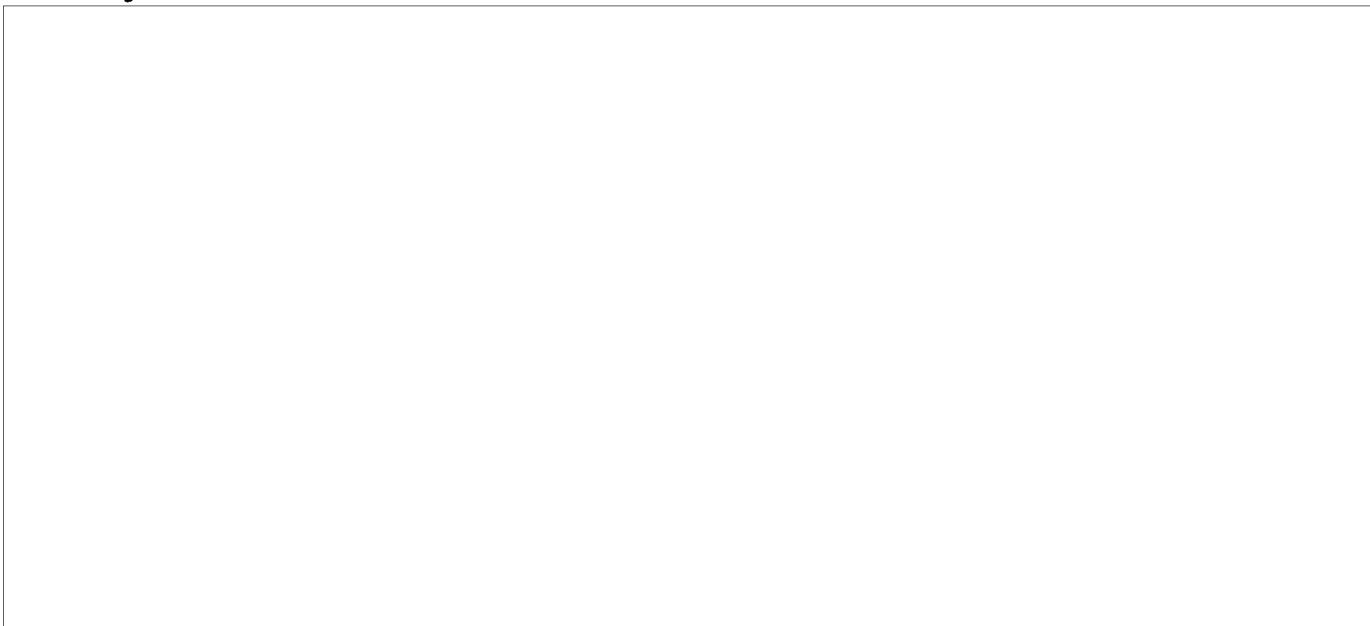
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[redacted] Venezuela is now fully cooperating with the Mexican approach to negotiations. To understand the implication of this, it is necessary to recognize Mexico's constant support of Cuban and Nicaraguan efforts in Central America since May 1979. To date, Mexican actions [redacted] suggest that President de la Madrid is continuing the Central American policy of his predecessor. The Hondurans and Salvadorans are keenly aware of this and will quickly interpret US association with Mexico in a negotiating initiative as an American endorsement for guerrilla power-sharing and the beginning of a sellout.

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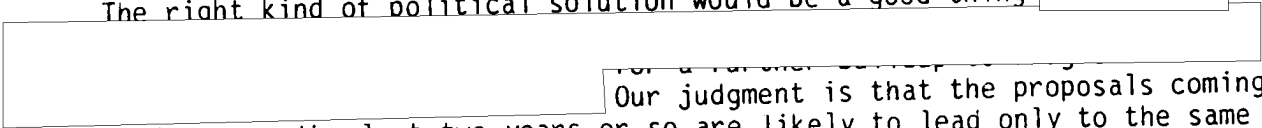


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These events -- before the April 2, 1982 Falklands War -- began the reversal of Venezuelan diplomatic cooperation with the US and led to the joint Mexican-Venezuelan proposal of September 1982, which essentially endorsed the Mexico style, ambiguous "political solution."

The right kind of political solution would be a good thing 

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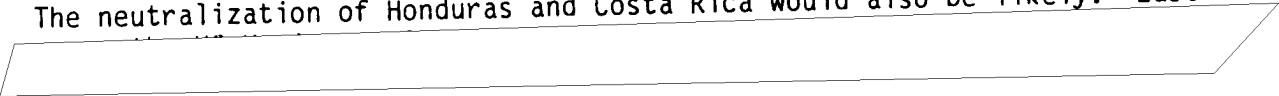


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Our judgment is that the proposals coming from Mexico over the last two years or so are likely to lead only to the same result as occurred in the negotiations which formed the post-Somoza government in Nicaragua.*

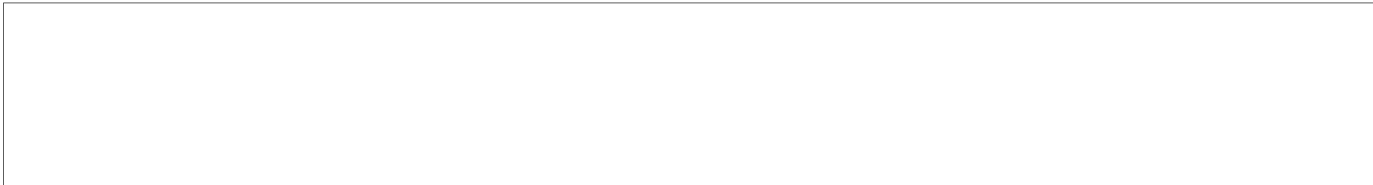
The right kind of political settlement could be similar to the one which Venezuela itself negotiated with Cuba-supported guerrillas in the 1960s. They required that the guerrillas lay down their arms and disband in return for amnesty and the opportunity for future political participation. At that time, the OAS played a constructive role, which it could do again provided the anti-guerrilla majorities of December 1981 (reflected in a 22-3 vote) and January 1982 (a 19-0 vote) were the focal point of diplomatic activities and not Mexico until there is solid proof of changes in its pro-guerrilla attitudes and actions.

The wrong kind of negotiating proposals could lead to a fractured El Salvadoran government which the extreme left could take over and the extinction of democratic opposition in Nicaragua confirming its Cubanization. The neutralization of Honduras and Costa Rica would also be likely. Last



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Also important to success in the region is that in any negotiating position, we insist upon assurances that the democratic objectives of the anti-Sandinista forces in Nicaragua be included. They are exactly what the OAS mandated and the Sandinistas promised during the June/July 1979 negotiations which led them to power. The twelve demands of the Nicaraguan Democratic Front are at Attachment 3. Also at Attachment 4 is a brief contrast between the Cuban-Sandinista-guerrilla negotiating purposes and the negotiations conducted by Venezuela in the 1960s.



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